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DEPARTMENT OF WATER RESOURCES

Eastern Region • 900 North Skyline Drive, Suite A • Idaho Falls, ID 83402-1718 Phone: (208) 525-7161 • Fax: (208) 525-7177 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER Governor GARY SPACKMAN

Director

August 13, 2015

Dave Erlanson

(b) (6)

CERTIFIED MAIL

RE: Potential, Unauthorized alteration to McCoy Creek

Dear Mr. Erlanson:

The Idaho Department of Water Resources ("Department") has become aware that recreational suction dredging during the 2014 season, which altered the bed, banks and flow of McCoy Creek. Specifically, large pools were dredged, the bank was undercut, and stream bed and bank materials were placed immediately next to the active channel. This alteration appears to have resulted in the channel being breached, changing the direction of flow of the active channel. Similar alterations occurred at several locations in Sec 16, Township 03S, Range 44E of Bonneville County on McCoy Creek.

LETTER PERMIT #3270 was issued to you on June 6, 2014 and authorizes alterations in accordance with the Stream Channel Alteration Rules (IDAPA 37.03.07 – Rule 64 and the Stream Channel Alteration by Recreational Mining Activities IDWR Program Instructions for 2014). Any alteration outside of these rules or instructions would require a Joint Application for Permits be submitted to the Department at least 60 days prior to the proposed starting date and a Stream Channel Alteration Permit issued. I have been unable to locate a Stream Channel Alteration Permit for the activities described above. The Stream Channel Alteration documented in the attached photos is not authorized by or consistent with the approved Letter Permit.

I request your cooperation to resolve this matter by:

 Reviewing the attached photos and documentation to help verify whether you were involved in the stream channel alterations.

Please respond to our office within 14 days of the date of this letter to discuss the status of the stream channel alteration shown in the attached photos. Please note that alterations of a stream channel without proper authorization constitutes a violation of Idaho Code §43-3803. The Department is interested in working with you to correct this matter. Please contact me directly at (208) 525-7161 to discuss.

Singerely,

Kerrie Mathews Sr. Water Resource Agent/Stream Channel Specialist

Cc: Aaron Golart - IDWR Boise

James Joyner – US Army Corps of Engineers

Tracy DeGering - US Environmental Protection Agency

Diane Wheeler - CTNF

FIELD INSPECTION REVIEW OF SUCTION DREDGING BEST MANAGEMENT PRACTICES SEPTEMBER 24, 2014

PURPOSE OF THE INSPECTION: The purpose of the field inspection was to evaluate the best management practices (BMPs) utilized during suction dredging operations in McCoy Creek at the request of Louis Wasniewski, U.S. Forest Service (FS) Hydrologist. Diane Wheeler, FS Geologist, contacted Dave Erlanson, mining claimant and recreational miner, prior to the inspection to determine if there were any ongoing suction dredging activities that could be observed. Erlanson indicated there might be someone still working in McCoy Creek near the confluence of Fish Creek.

DESCRIPTION OF THE INSPECTION: Wheeler met Wasniewski at the confluence of Fish Creek and McCoy Creek at 1000 hours. No miners or evidence of dredging activities were observed at that location, so they proceeded to drive west to Erlanson's Swede II mining claim to see if any operations were in progress at that location. Motorized access to the claim is via FS Road #040. No people were encountered at the Swede II site; however, evidence of recent dredging activities was noted throughout the area.

From the end of FS Road #040, Wheeler and Wasniewski walked downstream (east) along McCoy Creek for about 800 feet (Figure 1). The first suction dredging site encountered, identified as the "west site" for the purposes of this report, had a shallow excavation and tailings pile within the stream (Figure 2). Approximately 20 feet upstream, numerous cobbles lined the banks and it appeared the sides of the channel had been excavated with the tailings either left or replaced in the middle of the stream channel (Figure 3).

The next site, the "middle site," exhibited significant stream modification (Figures 4 and 5). There was evidence of digging within stream banks (Figure 6). An estimated 3-4 cubic yards of material including boulders, cobbles, and gravel had been removed from the stream bed and placed on the banks; in some cases, above the high water mark (Figure 7). A large excavation measuring approximately 6 feet long, 5 feet wide, and 4 feet deep was present (Figure 8). The stream channel upstream of the excavation was about 1 foot deep. The excavation appeared to have contributed to a channel breach (Figure 9).

The final site encountered during the inspection, the "east site," also had an excavation within the stream and cobbles placed in piles outside the channel (Figure 10). That excavation was an estimated 3 feet deep and located at a pool tailout where spawning would occur.

An ATV trail was observed running about 60 feet from and roughly parallel to the stream to all three sites (Figure 11). No erosion was noted on the trail and the potential for erosion to contribute sediment to McCoy Creek is low because of topography and proximity.

¹ Estimated by the presence of vegetation growing through the tailings placed in the riparian area along the stream channel banks.

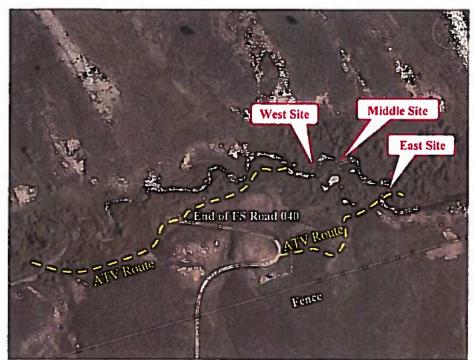


Figure 1. Site map.



Figure 2. Shallow excavation at west site.

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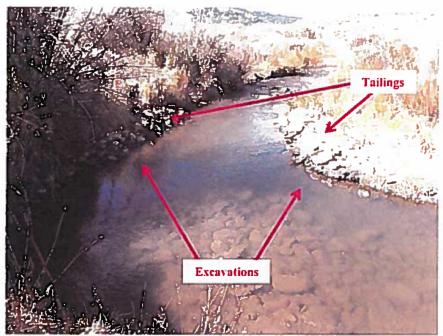


Figure 3. Tailings excavated from the sides of channel at west site, looking upstream (west).

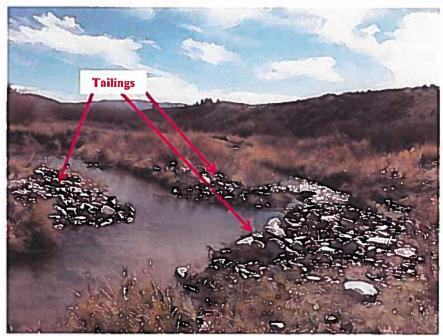


Figure 4. Middle site, looking downstream (east).



Figure 5. Middle site, looking upstream (Wasniewski in stream).



Figure 6. Evidence of bank disturbance at middle site.

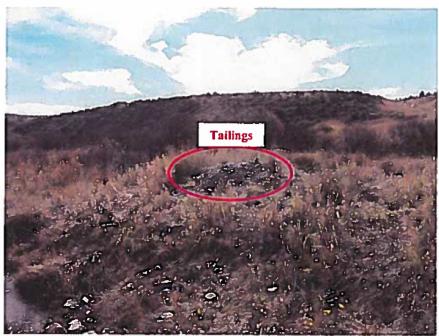


Figure 7. Tailings pile at middle site.

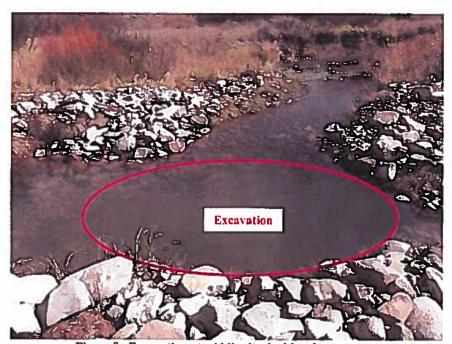


Figure 8. Excavation at middle site, looking downstream.



Figure 9. Channel breach at middle site, looking downstream.

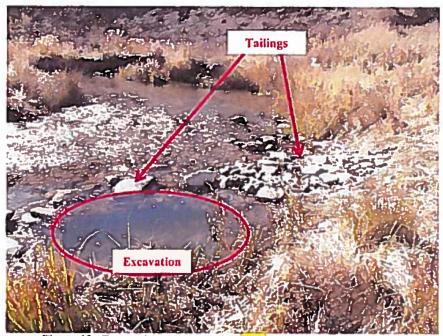


Figure 10. Excavation and tailings at west site, looking downstream.



Figure 11. ATV trail, looking west (Wasniewski standing in trail).

DISCUSSION OF FINDINGS: Potential suction dredge operators typically submit a notice of intent (NOI) each year to the Soda Springs District Ranger. NOIs were received for six individuals to suction dredge within the Swede II claim in 2014 (Dave Erlanson, Raymond Cornwall, Douglas and Robert Halbrook, Jeff Bowman, and Michael Codman). Plans of operations are not generally required for suction dredging in McCoy Creek; the District Ranger has determined that activity is not likely to cause significant disturbance of surface resources as long the operator adheres to the stipulations of the recreational suction dredging permit issued by the Idaho Department of Water Resources (IDWR). For example, the IDWR permit prohibits undercutting of a stream bank, dislodging of stream bank vegetation, or actions that create a condition whereby undercutting of stream bank will occur during high water. The permit also prohibits changing the stream channel in such a way that the current is directed into the bank causing erosion or destruction of the natural form of the channel.

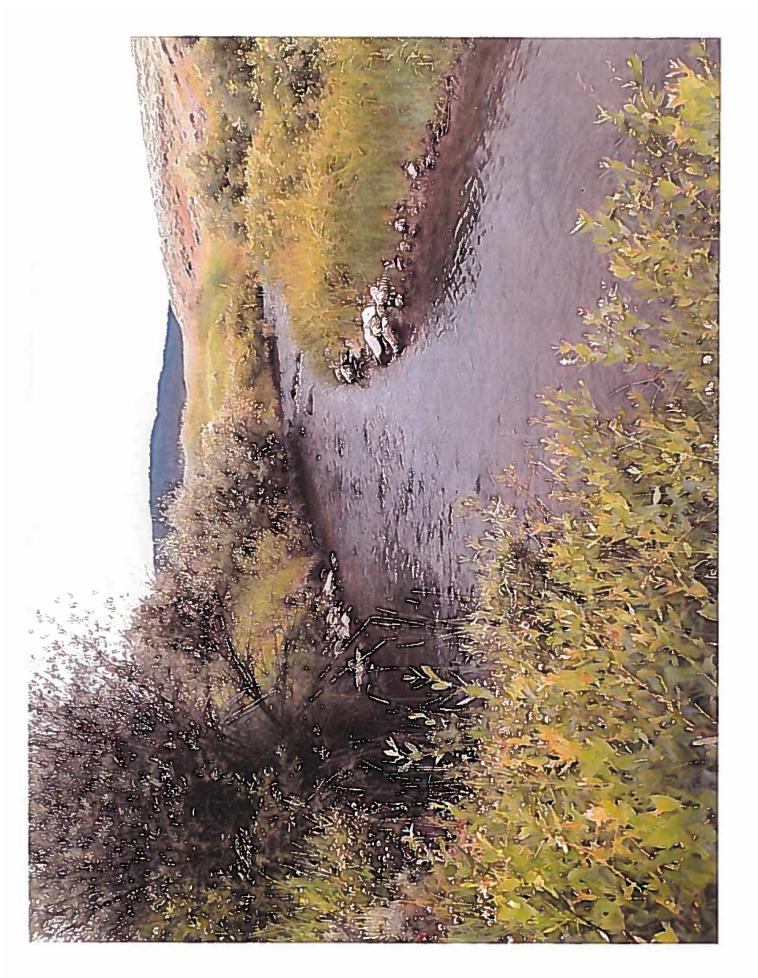
The conditions observed during the inspection indicate the IDWR permit stipulations (i.e., BMPs) were not followed. The most obvious indication was that excavations were not filled and tailings piles were not dispersed once the activity concluded for the season. This is likely to result in impacts to aquatic habitat, fisheries, and stream morphology.

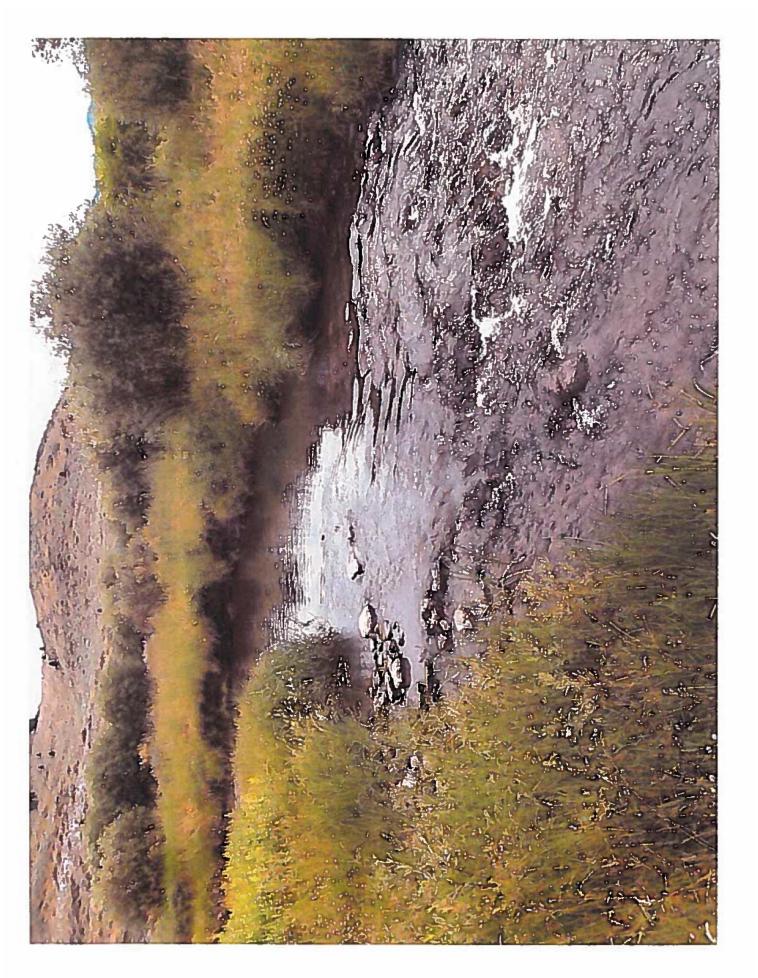
FOLLOW UP: Wheeler will contact IDWR staff and FS management to: (1) make notification of inspection findings; (2) schedule a follow up inspection; and (3) determine a path forward.

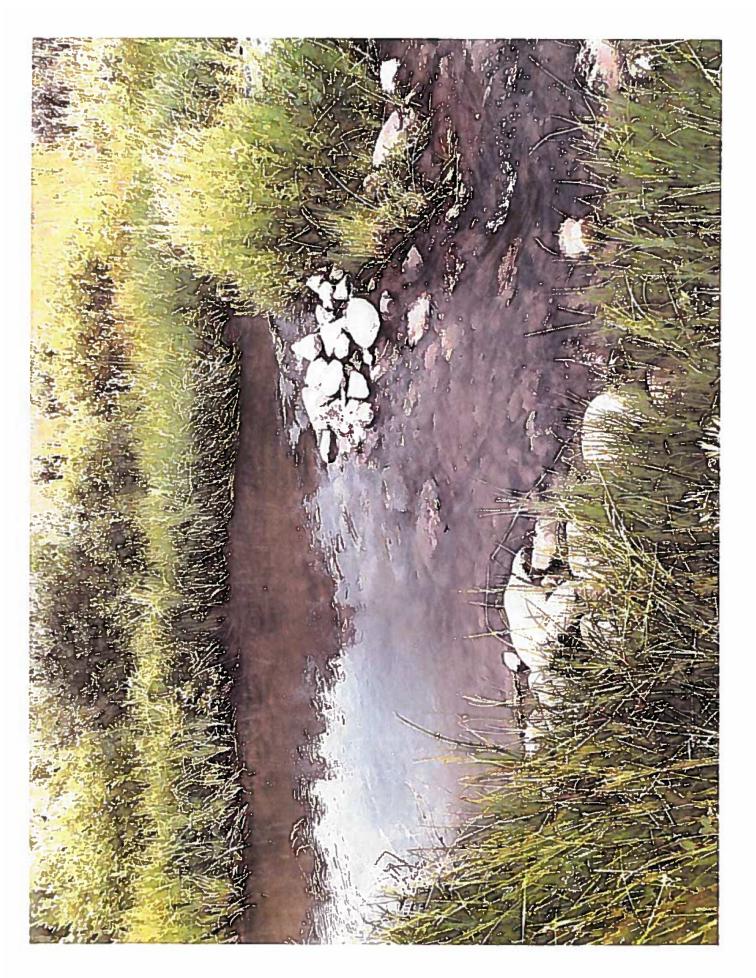
INSPECTOR:

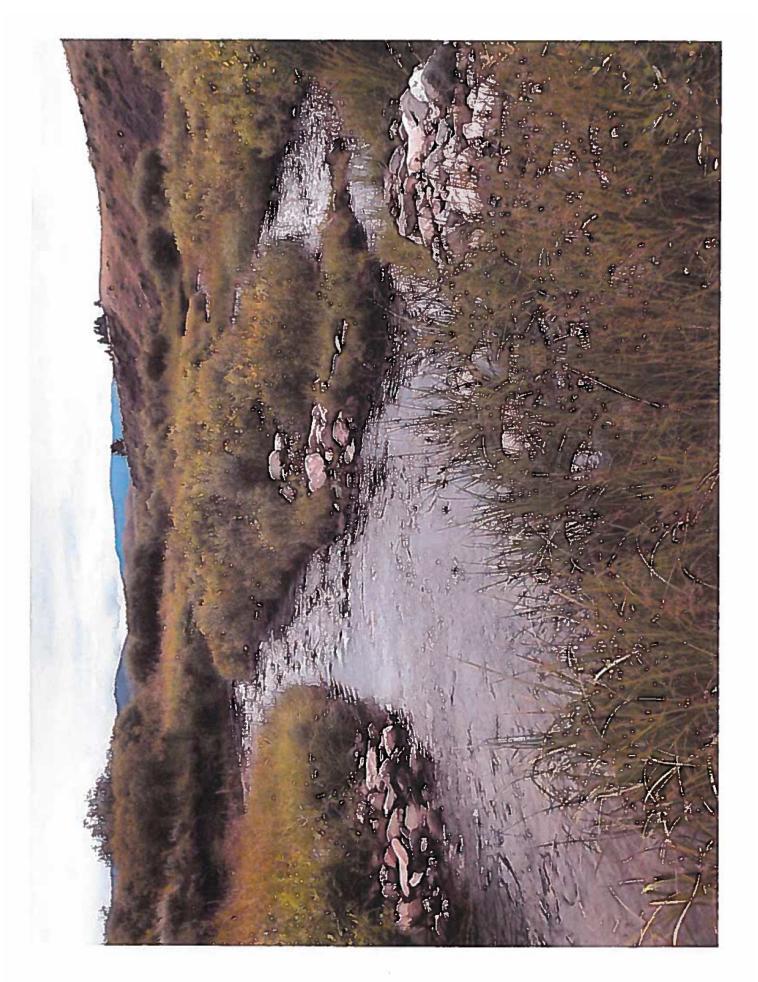
Diane K. Wheeler, FS District Geologist

DATE: September 24. 2014









9001 Skyling Dr. STEA (State of Idaho 83902



DEPARTMENT OF WATER RESOURCES#3

322 East Front Street • P.O. Box 83720 • Bolse, Idaho 83720-0098
Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER

GARY SPACKMAN

RE: Idaho Recreational Musing Authorization (LETTER PERMIT)

Dear Recreational Miner

The Idaho Department of Water Resources (IDWR) hereby issues an expedited LETTER PERMIT. This LETTER PERMIT allows the Permit Holder, indicated below, authorization to operate recreational mining equipment to alter a stream channel in accordance with the Stream Channel Alteration Rules (IDAPA 37.03.07—Rule 64) and the 2014 IDWR Instructions for "Stream Channel Alteration by Recreational Mining Activities."

This Letter Permit must include information requested on page 2.

Rule 64 (attached), "Standards for Suction Dredges and Non-Powered Sluice Equipment", provides minimum standard conditions for this LETTER PERMIT. The authorized holder of this LETTER PERMIT may operate recreational mining equipment in stream channel segments of the state designated "OPEN" as described in the 2014 IDWR Instructions referenced above. The instructions are available at IDWR's website as follows: http://www.idwr.idwho.gov/RulesStatutesForms/StreamChannelForms.htm Special Conditions listed below also apply. Failure to adhere to these requirements can result in legal action as provided for in section 42-3809 and 42-1701B, Idaho Code. Effective as of 2013, the US Environmental Protection Agency (EPA) will require an NPDES permit for small scale section dredging in Idaho. The EPA should be contacted on their requirements in Idaho (see pg. 10f the IDWR Instructions for EPA contact information).

SPECIAL CONDITIONS - IDWR LETTER PERMIT:

- 1. Permit holder will only work on a stream segment listed as OPEN in the 2014 IDWR Instructions
- 2. This permit does not serve in lieu of other permits that may be required by federal or other state government agencies or in any way constitute an exemption of other permit requirements.
- Permit holder shall obtain authorization from the land owner or land manager to access the property where the mining operation is located and determine if other permits are required. A copy of this Permit should be submitted to the appropriate federal, state or tribal land manager if the mining operation is located on federal, state or tribal land.
- 4. This permit may be canceled at any time to minimize adverse impact on the stream channel.
- Permit Holder must have a copy of their permit indicating them as the Permit Holder when operating equipment and evidence that
 the required fee has been paid. Permit holder shall make this permit, including page 2, available for inspection at all times
- 6. This permit does not constitute any of the following
 - a. An easement or right-of-way to trespass or work upon property or mining claims belonging to others.
 - b. Responsibility of the IDWR for damage to any properties due to operations of Permit Holder
- 7. All fuel, oil, and other hazardous materials shall be stored outside of the stream channel. The Permit holder shall not operate any equipment that leaks fuel, hydraulic fluid, or other pollutants. The Permit Holder shall use a funnel when pouring fuel and place absorbent material, sufficient to absorb a spill, under and around the fuel tank. A petroleum absorbent spill kit shall be onsite in case of accidental spills and no petroleum products shall enter the stream when servicing the equipment.
- This permit shall expire March 31, 2015.

	RECEIVED	Sincerely.	
	JUN 11 2014	an Sh	
	Pleas Department of Water Rassumes (Aaron Golart, State Coo	rdinator, Stream Protection Program
	Permit Holder's Name: DAVE	ERLANSON SR-	Idaho Resident: Yes No VAI/LI State Id 7 in 83449
	Address of Residence: 7 1 50	City was	1 VAILE Id Tip 83449
_	-Email:	Phone:	(b) (6)
•	Signature	us or	Date: TUDE 6 14
	Signature. Certification: I certify under the pendic of Channel Alteration by Recreational Mining.	a that I have read and understand the ID	WR document 2014 instructions for "Stream
	and other requirements. In addition, I certify	Activities" and will conduct my operations that I have provided a copy of this LETT!	in compliance with these Instructions for "Stream in compliance with these Instructions, all rules, ER PERMIT with the appropriate fee to IDWR
	FOR OFFICIAL LEF ONLY (C)	0.000 0.011	
	Fee 5 10, Receipted by	Date 6-11-2014 Reco	eipt \0 E039911

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Drainage

Spokane River

Additional Documentation Form for Recreational Mining LETTER PERMIT (April 1, 2014 – March 31, 2015)

must be kept with the LETTER PERMIT.
Permit Holder's Name: DAVE ERLANSON
Complete this section for all planned recreational mining operations in Open Streams as listed in Appendix F of the 2014 Instructions.
Please identify the drainages and stream segments in which you intend to dredge by filling in the table below using the name of the drainages and open streams found in Appendix F of the 2014 Instructions.

Open Stream or Stream Segment Prichard Cr. & tribs. above Granite Cr.

DRAINAGE	OPEN STREAM OR STREAM SEGMENT
Mc Cay + Towa	Swede #2 #2 #17 #9
Bonnenll Co.	Valid mining Clavian
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